

FISCAL NOTE

SB 3200 - HB 3139

February 23, 1998

SUMMARY OF BILL: Exempts electricity and natural gas used to generate heat for production of primary aluminum can sheet products when sold to or used by manufacturers. Current law imposes a 1.5% state sales tax on energy sources sold to or used by manufacturers and exempts energy sources only when they come into direct contact with the product being manufactured.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues - \$229,500

Assumes a decrease in state sales tax revenues based on estimates of energy costs of approximately \$15,300,000 for the affected manufacturers.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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